

# Economic Impact

The Arnold Engineering Development Center's economic impact on the economy of Middle Tennessee was more than \$482 million for fiscal year 1999. The secondary employment estimates and economic impact data is based on the Tennessee Valley Authority economic impact model methodology.

The total economic impact includes the center's payroll, secondary jobs created locally through the spending of that payroll and other direct expenditures.

Examples of secondary jobs would be those created to build new houses or jobs created at local supermarkets. Examples of direct expenditures include money spent to pay for utilities, service contracts with outside vendors and military health insurance paid to local hospitals or doctors.

In addition to the 2,872 employed

helped the local economy by creating almost 2,000 secondary jobs for a total of 4,854 jobs related to AEDC.

The total payroll cost for center government personnel and contractor employees was about \$190 million. Other direct AEDC expenditures were more than \$130 million for a total of \$320 million in payroll, construction and operating costs for AEDC.

The approximate payroll for the secondary jobs was more than \$51 million.

Total estimated secondary economic impact generated by AEDC's expenditures including the secondary job payrolls, is \$162.1 million. Those figures comprise the \$482 million total economic impact estimate.

AEDC is the single largest employer in Coffee and Franklin counties.

According to the Tennessee Economic Development Center, AEDC employs about 8 percent of Coffee County's work force or some 1,455 people. AEDC payroll expenses for Coffee County residents were more than \$96 million.

In Franklin County, 801 residents or almost 5 percent of the county work force were employed at the center. AEDC payroll cost for Franklin County residents was more than \$53 million.

Not reflected in AEDC's economic impact are the approximately 3,500 military retirees living in the local area surrounding Arnold Air Force Base who receive about \$50 million in retired pay, or the retired pay of several hundred government civilian employees and contractor personnel from AEDC.

## Fiscal 1999 Economic Impact Data

TVA Model Estimates for AEDC  
As of Sept 30, 1999

### Direct Employment at AEDC

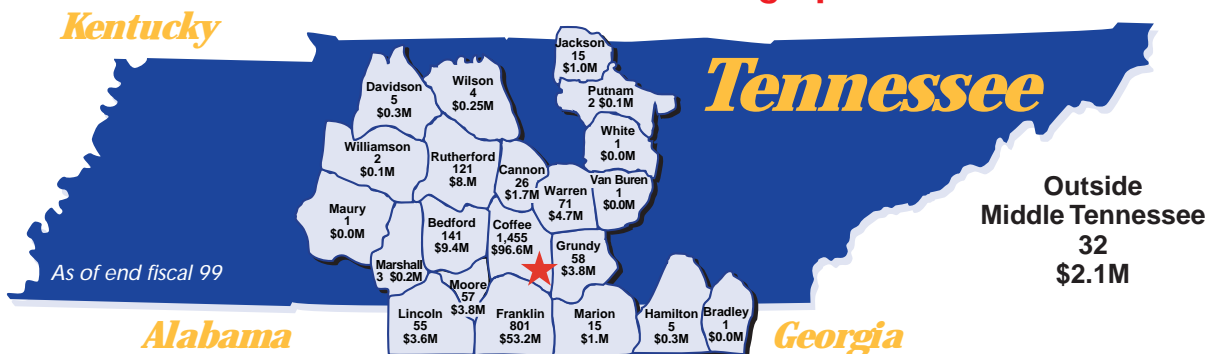
Military	104
Government Civilian	202
Non-appropriated Fund	62
Sverdrup/ACS	2,504
<b>Total</b>	<b>2,872</b>
Secondary Jobs Created	1,982
<b>Total Employment Impact</b>	<b>4,854</b>

### Economic Impact (in millions)

Non-construction Expenditure	\$ 309.4
Indirect Spin-off Impact	\$ 145.4
Construction Expenditures	\$ 10.7
Indirect Spin-off Impact	\$ 16.7
<b>Total Direct Expenditures</b>	<b>\$320.0</b>
<b>Total Indirect Expenditures</b>	<b>\$162.1</b>

**Total Economic Impact \$482.1**

## AEDC Work Force Demographics



**Total Employment 2,872**

**Total Economic Impact \$482.1M**